

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et
al.*,

Debtors.¹

AMBAC ASSURANCE CORPORATION,

Movant,

v.

THE COMMONWEALTH OF PUERTO RICO,

Respondent.

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**SUR-REPLY OF THE FINANCIAL OVERSIGHT AND MANAGEMENT
BOARD FOR PUERTO RICO TO AMBAC ASSURANCE CORPORATION's
REPLY IN SUPPORT OF ITS URGENT MOTION TO SET BRIEFING
SCHEDULE WITH RESPECT TO MOTION CONCERNING
APPLICATION OF THE AUTOMATIC STAY TO THE REVENUES
SECURING PRIFA RUM TAX BONDS**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780- LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

To the Honorable United States District Judge Laura Taylor Swain:

The Financial Oversight and Management Board of Puerto Rico (the “Oversight Board” or “Board”), as sole representative of the Commonwealth of Puerto Rico pursuant to Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² respectfully submits this sur-reply to the *Reply in Support of Ambac Assurance Corporation’s Urgent Motion to Set Briefing Schedule with Respect to Motion Concerning Application of the Automatic Stay to the Revenues Securing PRIFA Rum Tax Bonds* [ECF No. 7209] (the “Reply”) filed by Ambac Assurance Corporation (“Ambac”) and states as follows:

1. The Reply mischaracterizes the Oversight Board’s position as arguing the hearing should not be based on facts. The underlying documents are facts, and the Oversight Board believes those documents are dispositive. The Oversight Board’s position was that the July hearing should not include testimony, and if testimony is ultimately required, then discovery and testimony should take place after the July hearing.

2. Second, Ambac does not refute that, by requesting stay relief only if the Court determines the automatic stay applies in the first place, Ambac has deferred until the Court makes that determination the running of the thirty-day period in Bankruptcy Code section 362(e)(1) (made applicable by PROMESA § 301(a)) for stay relief requests for acts against property of the debtor.

² PROMESA has been codified at 48 U.S.C. §§2101-2241.

Dated: June 4, 2019

Respectfully submitted,

San Juan, Puerto Rico

/s/ Hermann D. Bauer

Hermann D. Bauer

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representative of the Commonwealth of
Puerto Rico*

CERTIFICATE OF SERVICE

I hereby certify that, on this same date, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notifications of such filing to all CM/ECF participants in this case.

/s/ Hermann D. Bauer
Hermann D. Bauer